

REMARKS

The Official Action considers the wrong claims in this application. The Preliminary Amendment filed with the original application (a copy of the Preliminary Amendment is enclosed) replaced claim 1 with claim 10, amended the dependency of other claims as needed, and removed the multiple dependencies. Consideration of the proper claims in a new NON-final Official Action is respectfully requested.

The specification, claims 2-5 and 10, and Figure 1 have been amended to make editorial changes therein, bearing in mind the criticisms in the Official Action, to place the application in condition for allowance at the time of the next Official Action. An Abstract has been added on a separate sheet.

The indication that claim 5 includes patentable subject matter is acknowledged with thanks. In reliance thereon, the subject matter of original claims 1, 4, and 5 have been incorporated into new independent claim 11.

Claims 1-4 and 6-9 were rejected as anticipated by ROBERTS et al. 5,438,184. The claims in the application are independent claim 10, with claims 2-5 dependent therefrom, independent claim 11 that includes the subject matter of allowable claim 5, and independent claim 12 that replaces method claim 6. Reconsideration and withdrawal of the rejection are respectfully requested.

By way of background, the present application discloses a system and method for activating functions in a programmable device that has plural functions. For example, a POS device at a retailer may include many functions, such as traditional POS features, currency exchange capability, and concierge services. A seller of the programmable device may include all of these functions in the device, but a purchaser of the device may only want to use one or two of the functions. These functions can be selectively activated by the purchaser by using an information carrier that includes a starting value (e.g., credit) from which the value of the activated functions is deducted. If the purchaser wishes to activate an additional function later, the purchaser can use the program and information carrier again and the value of the additional function is deducted from the value on the information carrier. The system allows the purchaser to pay for only the features it wants to use and the seller to know that it will be paid for the features activated.

To this end, claim 10 includes the limitation that the programming means modifies the numerical value in the information carrier in accordance with the functions activated in the programmable device, and claim 6 provides the steps of activating the selected function and debiting from the first value a second value of the activated function.

ROBERTS et al. does not include these limitations and thus the claims avoid the rejection under §102. ROBERTS et al. disclose a traditional POS smart card machine. The machine does

not include functions that are to be activated by a program, where the value of the functions added to the machine are deducted from the information carrier. The amount deducted from the smart card is simply the value of thing purchased, and has nothing to do with functions added to the machine. Indeed, the machine has the same functions before and after the transaction.

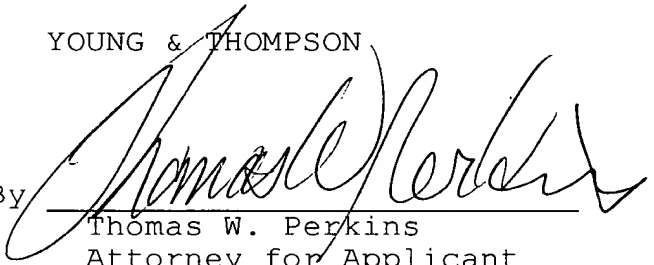
In view of the present amendment and the foregoing remarks, it is believed that the present application has been placed in condition for allowance. Reconsideration and allowance are respectfully requested.

Attached hereto is a marked-up version of the changes made to the claims by the current amendment. The attached page is captioned "**Version with markings to show changes made.**"

Respectfully submitted,

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ABSTRACT OF THE DISCLOSURE

A system and method for the selective activation of one or several software and/or hardware functions of a programmable device. A program selectively activates one of the functions of the programmable device. The program is coupled to an information carrier and deducts a value of the activated function from a value previously stored in the carrier.

VERSION WITH MARKINGS TO SHOW CHANGES MADE

IN THE CLAIMS:

Claim 10 was amended as follows:

--10. (amended) A system for selective activation of one or several software and/or hardware functions in a programmable device, comprising:

reading means [capable of] for receiving an electronically readable information carrier [characterized in that the information carrier comprises] that includes a programmable memory [capable of] for storing a numerical value; and

[in that the system comprising] programming means [capable of] for modifying said numerical value in accordance with the functions activated in the programmable device.--